



FOURACE INDUSTRIES GROUP HOLDINGS LIMITED

科利實業控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1455)

Directors Nomination Policy

The appointment and re-election of directors of the Company (the “**Director(s)**”) shall be made in accordance with the memorandum and articles of association (the “**Articles**”) of Fourace Industries Group Holdings Limited (the “**Company**”) and other applicable rules and regulations, including but not limited to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Company has established this directors nomination policy with the objectives of setting out the key selection criteria, principles and procedures of appointment and re-election of Directors.

Nomination Procedures

(i) Identification of candidates

The nomination committee (the “**Nomination Committee**”) of the board of Directors (the “**Board**”) has been delegated authority to identify potential candidates for appointment to the Board through different means and channels, including recommendations from members, use of external search firms, and any other means or channels that it deems appropriate. The Nomination Committee should have in mind succession planning, Board refreshment and independent view within the Board when identifying potential candidates for appointment to the Board.

(ii) Request for candidate’s information

Once a candidate has been identified, the Nominations Committee will request the candidate to provide his/her biographical information and other information deemed necessary.

(iii) Review by the Nominations Committee

The Nominations Committee will review and take reasonable steps to verify the information obtained from the candidate and seek clarification, where required. The Nominations Committee may, at its discretion, invite any candidate to meet with the members to assist them in their consideration of the proposed nomination or recommendation. The Nomination Committee shall evaluate any potential candidate based on the selection criteria as set out in the paragraph headed “Nomination Criteria” below to determine whether such candidate is qualified for directorship.

The Nominations Committee will then submit its nomination proposal to the Board for consideration and approval.

In the case of re-appointments of Directors at an annual general meeting of the Company, the Nominations Committee should include in its recommendation to the Board for consideration the justifications for re-appointing a Director who has completed three consecutive terms of service (each of three years). For an independent non-executive Director who has completed more than three consecutive terms of service (i.e. nine years), the recommendation for re-appointment should state why the Nominations Committee believes he/she is still independent and should be re-appointed, including the factors considered, the process and the discussion of the Nominations Committee in arriving at such determination.

Nomination Criteria

The Nomination Committee shall consider the following selection criteria and such other factors that it may consider appropriate for a position on the Board:

(i) Attributes Complementary to the Board

The candidate should possess attributes that complement and expand the skill set, experience and expertise of the Board as a whole, having regard to the current structure, size, diversity profile and skills matrix of the Board and the needs of the Board.

(ii) Business Experience & Board Expertise and Skills

The candidate should have the ability to exercise sound business judgment and also possess proven achievement and experience in directorship including effective oversight of and guidance to management.

(iii) Availability

The candidate should give sufficient time and attention for the proper discharge of the duties of a Director, including devoting adequate time for the preparation and participation in meetings, training and other Board or Company associated activities. In particular, the Nomination Committee will have due regard as to whether a candidate for independent non-executive director who will be holding their seventh (or more) listed company directorships would be able to devote sufficient time to the Company.

(iv) Motivation

The candidate should be self-motivated and have a strong interest in the Company's businesses.

(v) Integrity

The candidate should be a person of integrity, honesty, good reputation and high professional standing.

(vi) Diversity

Candidates should be considered on merit and against objective criteria, with due regard to the diversity perspectives. The Diversity Policy of the Company as adopted/amended by the Board from time to time.

(vii) Independence

The need for a strong independent element on the Board. The candidate to be nominated as an independent non-executive Director of the Company (“**INED**”) must satisfy the independence criteria set out in Rule 3.13 of the Listing Rules. Where applicable, the totality of the candidate’s education, qualifications and experience shall also be evaluated to consider whether he or she has the appropriate professional qualifications or accounting or related financial management expertise for filling the office of an INED.

The above criteria are for reference only and are not meant to be exhaustive or decisive. The Board shall take into consideration the benefits of a diversified Board when selecting Board candidates.

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This document is in English and Chinese. In case of any inconsistency, the English version shall prevail.